

Amendments To The Claims

The following listing of claims will replace all prior versions and listings of claims in the application.

Listing of Claims:

1.-20. (Cancelled)

21. **(New)** A method for operating a commercial exchange of an item, said method comprising the steps of:

receiving, from an owner of the item, a request to list the item on the commercial exchange;

verifying that the owner legally possesses the item;

determining whether a digital master of the item exists in a central media database, storing the digital master in the central media database and assigning a unique identifier associated with the digital master when the digital master of the item does not exist in the database and selecting the unique identifier associated with the digital master when the digital master of the item does exist in the database;

assigning a unique owner identifier to the digital master of the item stored in the central media database, the unique owner identifier associating the verified legal owner of the item with the digital master;

maintaining a list of the unique owner identifiers and the associated unique digital master identifiers in the central media database; and

operatively associating the central media database with an exchange interface structured and operable to execute a transaction between at least one of the verified legal owner and an acquirer.

22. **(New)** The method of Claim 21 further comprising the step of receiving, from an owner of the item, a physical copy of the item prior to determining whether the digital master of the item exists in the central media database, wherein the commercial exchange immobilizes the physical copy of the item.

23. **(New)** The method of Claim 21 wherein the transaction between at least one of the verified legal owner and an acquirer comprises the steps of:

receiving, from the verified legal owner of the item, a request for a copy of the item;

distributing a verified copy of the digital master from the central media database to the verified legal owner, via the exchange interface.

24. **(New)** The method of Claim 21 wherein the transaction between at least one of the verified legal owner and an acquirer comprises the steps of:

receiving, from the verified legal owner of the item, permission to permanently transfer ownership rights in the item to another;

receiving, from the acquirer, a request to permanently transfer ownership rights in the item to the acquirer;

transferring a payment from the acquirer to the verified legal owner via the exchange interface;

distributing a copy of the item to the acquirer;

updating the list of unique owner identifiers and the associated unique digital master identifiers to reflect that the acquirer, rather than the owner, is the verified legal owner of the item.

25. **(New)** The method of Claim 24 wherein the step of distributing a copy of the item to the acquirer comprises distributing a verified copy of the digital master from the central media database to the acquirer, via the exchange interface.

26. **(New)** The method of Claim 24 further comprising the step of receiving, from an owner of the item, a physical copy of the item prior to determining whether the digital master of the item exists in the central media database, wherein the commercial exchange immobilizes the physical copy of the item.

27. **(New)** The method of Claim 26 further comprising the step of removing the association between the unique owner identifier of the acquirer and the associated unique digital master identifier of the item from the list of unique owner identifiers and the associated unique digital master identifiers, wherein the

step of distributing a copy of the item to the acquirer comprises distributing a physical copy of the item to the acquirer.

28. (**New**) The method of Claim 24, the step of transferring a payment from the acquirer to the verified legal owner via the exchange interface comprising the steps of:

receiving a payment from the acquirer;

crediting a portion of the payment to an account owned by the commercial exchange; and

crediting an account owned by the verified legal owner with an amount equal to the payment received from the acquirer less the portion of the payment to credited to the account owned by the commercial exchange.

29. (**New**) The method of Claim 21 wherein the transaction between at least one of the verified legal owner and an acquirer comprises the steps of:

receiving, from the verified legal owner of the item, permission to transfer ownership rights in the item to another for a predetermined period of time; and

receiving, from the acquirer, a request to transfer ownership rights in the item to the acquirer;

updating the list of unique owner identifiers and the associated unique digital master identifiers to reflect that the acquirer, rather than the owner, is the verified legal owner of the item, wherein the owner is denied access to the item prior to the expiration of the predetermined period of time; and

updating the list of unique owner identifiers and the associated unique digital master identifiers to reflect that the owner, rather than the acquirer, is the verified legal owner of the item after the expiration of the predetermined period of time.

30. (**New**) The method of Claim 21 wherein the transaction between at least one of the verified legal owner and an acquirer comprises the steps of:

receiving, from a first verified legal owner of a first item, permission to permanently transfer ownership rights in the first item to another; and

receiving, from the acquirer who is the verified legal owner of a second item, permission to permanently transfer ownership rights in the second item to another;

receiving, from the first verified legal owner of the first item, a request to acquire ownership rights in the second item;

receiving, from the acquirer, a request to acquire ownership rights in the first item;

updating the list of unique owner identifiers and the associated unique digital master identifiers to reflect that the acquirer, rather than the owner, is the verified legal owner of the first item; and

updating the list of unique owner identifiers and the associated unique digital master identifiers to reflect that the owner, rather than the acquirer, is the verified legal owner of the second item.

31. **(New)** The method of Claim 21 wherein the step of verifying that the owner legally possesses the item further comprises receiving a physical copy of the item from the owner.

32. **(New)** The method of Claim 21 wherein the step of verifying that the owner legally possesses the item further comprises receiving documentation from the owner, wherein the documentation is sufficient to prove that the owner is the legal owner of the item.

33. **(New)** The method of Claim 21 further comprising the steps of:
verifying that the verified legal owner holds a copyright in the item;
receiving, from the verified legal owner of the item, permission to produce a predetermined number of copies of the item;
receiving, from the acquirer, a request to permanently transfer ownership rights in a copy of the item to the acquirer;
transferring a payment from the acquirer to the verified legal owner via the exchange interface;
distributing a copy of the item to the acquirer;

updating the list of unique owner identifiers and the associated unique digital master identifiers to reflect that the acquirer is the verified legal owner of the copy of the item.

34. (**New**) The method of Claim 33 wherein the step of distributing a copy of the item to the acquirer comprises distributing a verified copy of the digital master from the central media database to the acquirer, via the exchange interface.

35. (**New**) The method of Claim 33 wherein the step of distributing a copy of the item to the acquirer comprises distributing a physical copy of the item to the acquirer.

36. (**New**) A method for operating a commercial exchange of items accessible on a peer-to-peer network comprising the steps of:

receiving, from an owner of the item, a request to list the item on the commercial exchange;

verifying that the owner legally possesses the item;

determining whether a digital master of the item exists in a central media database, storing the digital master in the central media database and assigning a unique digital master identifier associated with the digital master when the digital master of the item does not exist in the database and selecting the unique digital master identifier associated with the digital master when the digital master of the item does exist in the database;

assigning a unique owner identifier to the digital master of the item stored in the central media database, the unique owner identifier associating the verified legal owner of the item with the digital master;

maintaining a list of digital masters, the associated unique digital master identifiers, and the associated owner identifiers in the central media database[[],];

operatively associating the central media database with an exchange interface structured and operable to execute a transaction between at least one of the verified legal owner and an acquirer;

maintaining a searchable index of digital masters offered for sale by members of the peer-to-peer network and corresponding to a unique digital master contained in the central media database;

searching said index to identify a unique digital master desired for acquisition by an acquirer.

37. (**New**) The method of Claim 36 wherein the transaction between at least one of the verified legal owner and an acquirer comprises the steps of:

receiving, from the verified legal owner of the item, permission to permanently transfer ownership rights in the item to another;

receiving, from the acquirer, a request to permanently transfer ownership rights in the item to the acquirer;

transferring a payment from the acquirer to the verified legal owner via the exchange interface;

distributing a copy of the item to the acquirer;

updating the list of unique owner identifiers and the associated unique digital master identifiers to reflect that the acquirer, rather than the owner, is the verified legal owner of the item.